

REQUEST FOR COUNCIL ACTION

MEETING

DATE: 7/21/03

237

AGENDA SECTION: Reports & Recommendations:	ORIGINATING DEPT: CITY ADMINISTRATOR	ITEM NO. F-1
ITEM DESCRIPTION: Development Assistance Agreement with DeWitz Construction for the single family home construction in Rose Harbor Estates Subd.		PREPARED BY: T.SPAETH TS

A Development Assistance Agreement between the City of Rochester and DeWitz Construction has been prepared for the construction of owner occupied single family dwellings on 20 lots located in Rose Harbor Estates 2nd and 4th Subdivisions. The Council approved establishment of a tax increment financing district in these subdivisions. The major points within the Development Agreement are as follows:

Responsibilities of the Builder: The builder is responsible for the construction of 20 single family owner occupied homes on the 20 lots within the TIF district. Commencing of construction activities is to take place by October 1, 2003 and be substantially completed by August 1, 2006. The homes must be sold to an eligible homebuyer that meets both the "First Homes" eligibility requirements, along with the City's income eligibility requirements to ensure that the TIF district remains a "qualified" housing district.

City's Responsibility: The Council has agreed to provide a total of \$200,000 in assistance. The assistance is to be provided "up front", and by that I mean that the City will pay DeWitz Construction \$ 10,000 / lot (total \$200,000) at the time that DeWitz Construction sells the completed home to an eligible homebuyer.

COUNCIL ACTION REQUESTED:

Council authorization for the execution of a Development Assistance Agreement with DeWitz Construction by the Mayor & City Clerk for the Rose Harbor Estates 2nd and 4th Subdivisions (# 26-1) Tax Increment Financing project

**** Please note that a copy of the Development has not been included in the packet due to its length and the fact that it is essentially the same as previously approved "First Homes" TIF Development Agreements.**

COUNCIL ACTION: Motion by: _____ Second by: _____ to: _____

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